

ORDER NO. 79870

IN THE MATTER OF THE CONTINUING * INVESTIGATION OF THE ELECTRIC * FUEL RATE AND PURCHASED POWER * COST ADJUSTMENT CHARGES OF * WILLIAMSPORT MUNICIPAL ELECTRIC * LIGHT PLANT. *	BEFORE THE PUBLIC SERVICE COMMISSION OF MARYLAND <hr/> CASE NO. 8507(aa) <hr/>
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This case involves the periodic review of the changes in Williamsport Municipal Electric Light Plant's ("Williamsport") fuel rate and purchased power cost adjustment charges. In general, at issue is Williamsport's accounting for the cost of power purchased from Dominion Energy Marketing, Inc. However, during the Public Service Commission ("Commission") Staff's audit of Williamsport's accounts, Staff discovered that Williamsport failed to collect and remit Electric Universal Service Program ("EUSP") surcharges for the period beginning July 2000 and ending February 15, 2003.

All parties agree that Williamsport failed to collect and remit the required funds. However, the parties disagree regarding how the error should be remedied. In his Proposed Order, the Hearing Examiner ordered that the surcharge issue should be addressed in the ongoing EUSP docket.¹ The Office of People's Counsel ("OPC") appealed only this aspect of the Proposed Order.²

OPC argues that Williamsport's failure to collect the EUSP surcharge is not a generic matter appropriate for the EUSP docket. Therefore, the Commission should

¹ Proposed Order of Hearing Examiner, p. 2, footnote 4.

² On September 2, 2004, the Commission issued a letter to all parties incorrectly stating that the Proposed Order was not appealed by any party, and designating Order No. 79433 to the Proposed Order. The Commission hereby withdraws Order No. 79433.

order Williamsport to calculate the amount of uncollected EUSP surcharges and remit that amount to the Comptroller of the Treasury. OPC further recommends that any retroactive remittance of EUSP surcharges should not be recovered from residential customers because the error was Williamsport's fault. In response to this argument, Staff contends that Williamsport's failure to collect the EUSP surcharge is outside the scope of this case and that no good retrospective solution exists.

The Commission finds that the issue of Williamsport's failure to collect and remit the EUSP surcharges should not be delegated to the generic EUSP proceeding, and reverses the Proposed Order on this point. The Commission also agrees with Staff that the collection or non-collection of the EUSP surcharge is outside of the scope of this purchased power cost adjustment charge proceeding as well. The Commission will deal with this issue in a separate Letter Order to be issued today.

IT IS THEREFORE, this 4th day of April in the year Two Thousand and Five, by the Public Service Commission of Maryland,

ORDERED: (1) That except as modified above, the Proposed Order of the Hearing Examiner issued in this proceeding is affirmed and adopted by the Commission; and

(2) That Order No. 79433 is withdrawn.

By Direction of the Commission,

O. Ray Bourland
Executive Secretary